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**LONG BEACH MORTGAGE LOAN COORDINATOR CONVICTED OF LYING  
TO GRAND JURY IN CONNECTION WITH MORTGAGE FRAUD  
INVESTIGATION**

SACRAMENTO - United States Attorney McGregor W. Scott announced today that JOHN NGO, 27, of Dublin, California, pleaded guilty today before United States District Judge William B. Shubb to lying under oath before a federal Grand Jury in connection with an on-going mortgage fraud investigation.

The case is the product of an extensive investigation by the Federal Bureau of Investigation and Internal Revenue Service-Criminal Investigation. Several other individuals have been indicted in connection with this investigation and those charges remain pending. *See United States v. Iftikhar Ahmad, et al.*, 2:07-CR-0386 WBS.

According to Assistant United States Attorneys Benjamin B. Wagner and Courtney J. Linn, who are prosecuting the case, from approximately September 2001 through May 2006, NGO worked as a Senior Loan Coordinator at Long Beach Mortgage, a subprime lender of residential real property that is now an operational subsidiary of Washington Mutual, F.A. In his capacity as Senior Loan Coordinator, NGO was responsible for, among other things, validating and verifying loan application information (including employment information) submitted by or on behalf of home loan applicants.

In September 2007, NGO testified under oath before a Grand Jury investigating a wide-ranging mortgage fraud scheme in the San Joaquin County area. He was asked whether a particular mortgage broker who referred loan applications to Long Beach Mortgage during the time that NGO worked there had given NGO any money. NGO falsely testified that the broker had not given him any money. In fact, records subsequently obtained from Bank of America show that between July 2003 and March 2007, defendant NGO received approximately \$100,000 in checks and bank transfers from accounts controlled by the mortgage broker. NGO admitted that most of the payments he received from the broker were payments made for ensuring that fraudulent loan applications referred to Long Beach Mortgage by the mortgage broker's firm were processed and funded.

As part of his plea, NGO also admitted that he also received payments from certain Long Beach Mortgage sales representatives in order to push loan applications through the funding process. He further admitted that he knew that many of these loan applications were fraudulent, and that he and others took steps to "fix" the loan applications by creating false documents or adding false information to the applications or the loan file. As part of his plea agreement, defendant NGO has agreed to cooperate with the government's ongoing investigation and prosecution of mortgage fraud involving residential home loans in the area of San Joaquin County.

Sentencing is set for April 7, 2008 at 8:30 a.m. before Judge Shubb. The maximum sentence for the offense of conviction is five years imprisonment and a fine of \$250,000. However, the actual sentence will be determined at the discretion of the court after consideration of the Federal Sentencing Guidelines, which take into account a number of variables, and any applicable statutory sentencing factors.